

MASSPORT

'86

PUTTING IT ALL TOGETHER

MR
387.3M3
M183r
1986
c. 1

TABLE OF CONTENTS.

Aviation	5
Seaport	13
Tobin Memorial Bridge	19
Regional Transportation Planning	20
Economic Development	25
Properties	26
Programs	27
Board Members	28
Financial Information	29
Properties and Performance	41

*The Annual Report of
the Massachusetts Port Authority
for the fiscal year ending
June 30, 1986.*

RESULTS UNDER PRESSURE.

Massport has never been so busy. The prosperity of the region's economy and the resulting heightened demand for transportation services have placed new pressures on our facilities, our capital, and our employees.

In responding to these pressures, and in paving the way for economic growth in our region, Massport has been guided by three principles: open and careful planning, efficient financial and operational management, and good community relations.

These principles carry us well beyond the day-to-day operation of our airport, seaport, and bridge facilities. Massport has also pursued major programs to ease traffic around Logan Airport, control airport noise, revitalize Boston's commercial seaport, and maintain a balanced, multi-purpose waterfront.

To meet these challenges, we work closely with business, community, and political interests whose points of view are not always harmonious. In addition, we play a leading role in efforts to anticipate New England's transportation needs for the balance of this century.

To maintain the quality of our facilities and to meet growing demand, we have accelerated our efforts to reduce costs and improve fiscal controls, including preparation of the Authority's first-ever ten-year capital budget.



Today, Massport performs a complex and demanding role in our regional economy, a role that becomes more challenging with each passing year. Fortunately, as the job gets harder, the rewards and satisfactions become correspondingly greater.

With the guidance and support of our Commonwealth's public and private sector leaders, and through the dedication of an exceptionally able staff, Massport has established a proud record and mapped out a promising future.

We're working harder than ever and, I'm proud to say, we're getting results under pressure.

David W. Davis

A large, stylized handwritten signature of David W. Davis in dark ink.

Executive Director



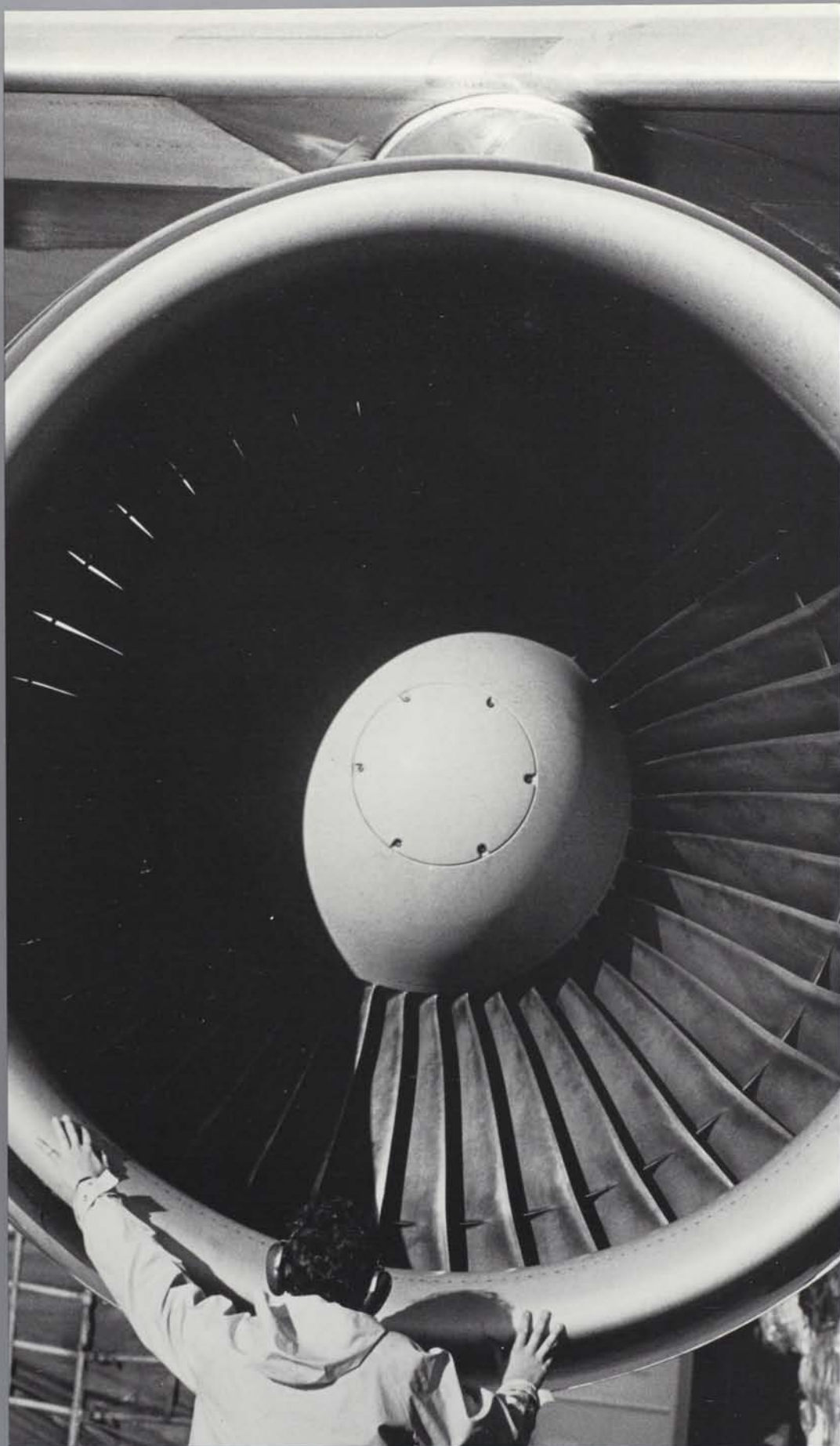
AIRPORT

"We do more than just keep the terminals open and collect the rents. Our job is to create, as much as possible, a positive experience for our passengers, our neighbors, and our tenants."

*—William C. Coleman,
Aviation Director*



*Stage III
aircraft engine,
quietest at
Logan, is
encouraged
under
Massport's new
noise rules.*



A POSITIVE EXPERIENCE.

The early effects of airline deregulation—new carriers and new traffic—have begun to fade, as suggested by a modest two percent increase in passengers at Boston's Logan International Airport.

However, the latest phenomenon, airline consolidation, creates new pressures. With fewer carriers competing in the marketplace, service plays a more important role in consumer choice, and upgraded terminals are a major part of that formula.

“Logan is in an excellent position to take advantage of these changes,” William C. Coleman, Massport aviation director declared. “We have moved and continue to move toward improving Logan's physical facilities and passenger services.”

Managing Logan also requires dealing with unique groundside issues. Unlike other large hubs, most Logan passengers begin or end their journeys at the airport, creating a pronounced need for ground transportation and passenger services.

Logan is also bordered on three sides by densely populated neighborhoods whose residents live beneath flight paths of the world's 12th busiest airport.

To keep pace with changes in the air cargo industry, Logan's air cargo marketing unit has begun developing a computerized cargo release system designed to speed clearance of goods.

Massport also manages Hanscom Field in Bedford, Massachusetts, where air traffic levels grew two percent without an increase in overall noise levels, the result of Massport's policy encouraging the use of newer and quieter aircraft.

To plan for growth at Hanscom, and balance it with the concerns of residents in neighboring communities, Massport prepared a Generic Environmental Impact Report that examines potential activities and development at the suburban airport.

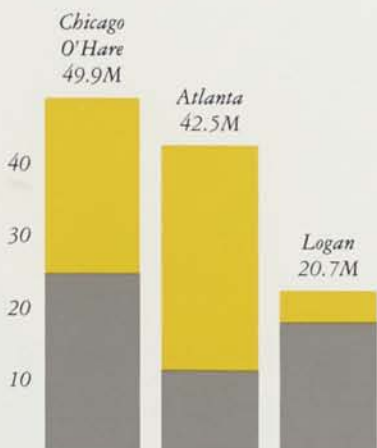
"We do more than just keep the terminals open and collect the rents," Coleman said. "Our job is to create, as much as possible, a positive experience for passengers, our neighbors, and our tenants. The hard part is managing their often competing needs."

To meet that challenge, Massport's Aviation Department made a number of significant improvements.

NOISE RULES. Massport maintained its leadership in noise abatement by developing and implementing new noise rules for Logan's carriers. It wasn't an easy job: the airlines wanted the greatest possible flexibility in scheduling flights and aircraft; Logan's neighbors wanted strict limits on night operations and noisy aircraft; business leaders wanted to ensure a smooth flow

BETTER NAVIGATION AT HANSCOM.

New instrument landing and lighting systems were installed at Hanscom Field, the region's second busiest airport.



BOSTON BEATS CHICAGO ON THE GROUND.

Logan passengers needing ground transportation services compared to two major U.S. airports.

■ Total passengers
■ Passengers needing ground transportation

THE STATE OF ART AT LOGAN.

Works of art including sculptures, and other visual displays are featured in the airport's renovated Terminal C.

SATISFIED WATER SHUTTLE CUSTOMERS.

"It's great to have other options."

—Russ I. Buchanan, Cambridge, MA

"A great way to travel."

—Chris Chin, Hingham, MA

"What a relief from driving!"

—Daniel Claypool, Marshfield, MA

"Very convenient, including the shuttle bus."

—Sean M. Moss, New York, NY



of passengers and goods; and passengers wanted as many choices of flights as possible.

Massport designed a policy which restricts night-time flights and places limits on older, noisier aircraft. Airlines serving Logan can expand only if their overall operations meet Logan's noise standards, or if they guarantee that new flights will be handled with the most modern, quiet aircraft available. The new rules are tough, fair—and working.

SOUNDPROOFING. Massport also remained a national leader in innovative community soundproofing programs. To date, a total of 15 schools in East Boston, South Boston, Chelsea, and Winthrop have received soundproofing treatments to reduce aircraft noise

and improve the study environment; another five schools will be treated in the next two years.

Massport has also begun residential soundproofing aimed at seriously reducing noise in homes most directly affected by Logan operations. The new program will initially provide treatments to up to 150 homes.

USER-FRIENDLY TERMINALS. Work is continuing on the \$36 million renovation of Terminal C, Logan's oldest terminal, home of Delta, TWA, and United airlines. The terminal is already roomier, more efficient, and more comfortable, featuring new retail stores, ticket desks and baggage areas, as well as improved curbside access.

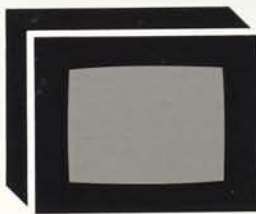
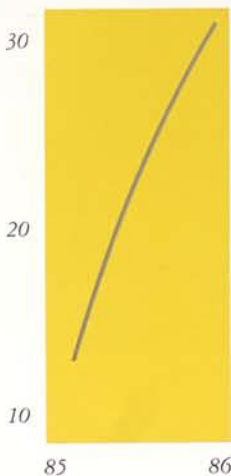


1-800-23-LOGAN.

Massport's telephone service provides the public with up-to-date information on airport parking and alternatives to driving.

WAVE OF THE FUTURE.

In its second year, ridership on the Airport Water Shuttle climbed to 30,703 passengers.



"WHAT'S NEW, NEW ENGLAND?"

A unique new interactive tourism information system will be appearing soon at Logan passenger terminals. Video touchscreens will familiarize visitors with attractions throughout New England.

LOGAN EXPRESS.

Following a successful (7,500 users) two-week tryout during the 1985 Thanksgiving season, Massport instituted new park and ride services between Logan and suburban locations.



SMOOTH LANDINGS.

Logan's runways received \$5.2 million worth of re-surfacing, re-grooving, and centerline lighting.

The merger of Northwest and Republic airlines permitted smoother domestic-overseas links for Northwest travelers in Terminal E, as well as larger, more efficient waiting and baggage areas.

Because Logan is not the home base for any carrier, airlines can be relocated for maximum efficiency. New York Air was shifted from Terminal E to Terminal B, where it joined Pan Am's new shuttle service to New York City.

The Amelia Earhart General Aviation Terminal entered its second year, offering first-class corporate services and pilot lounges for the region's private and corporate aircraft community.

A PARK FOR LOGAN. One of the most positive contributions to the environment of the airport's neighbors was completion of a 20-acre Harborwalk Park at Logan South/Harborside.

The nearby Massachusetts Technology Center has not only provided new airport office space, but has

also worked as an effective noise buffer between Logan operations and adjacent neighborhoods.

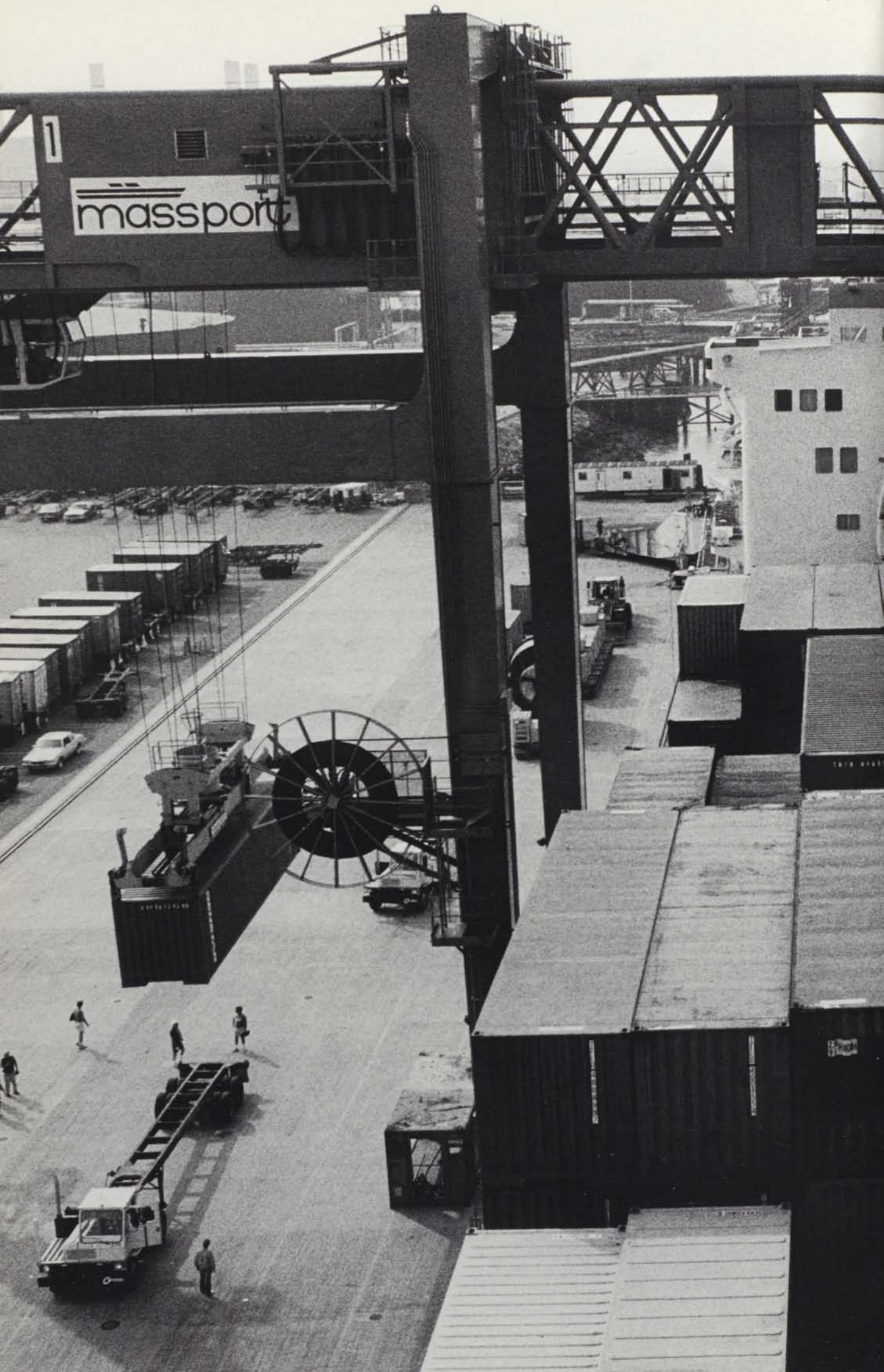
GROUND ACCESS GAINS. Massport made strides against Logan Airport's two-pronged ground access problem: traffic and limited parking, both exaggerated by the high percentage of passengers—nearly 90 percent—who begin or end their flights in Boston.

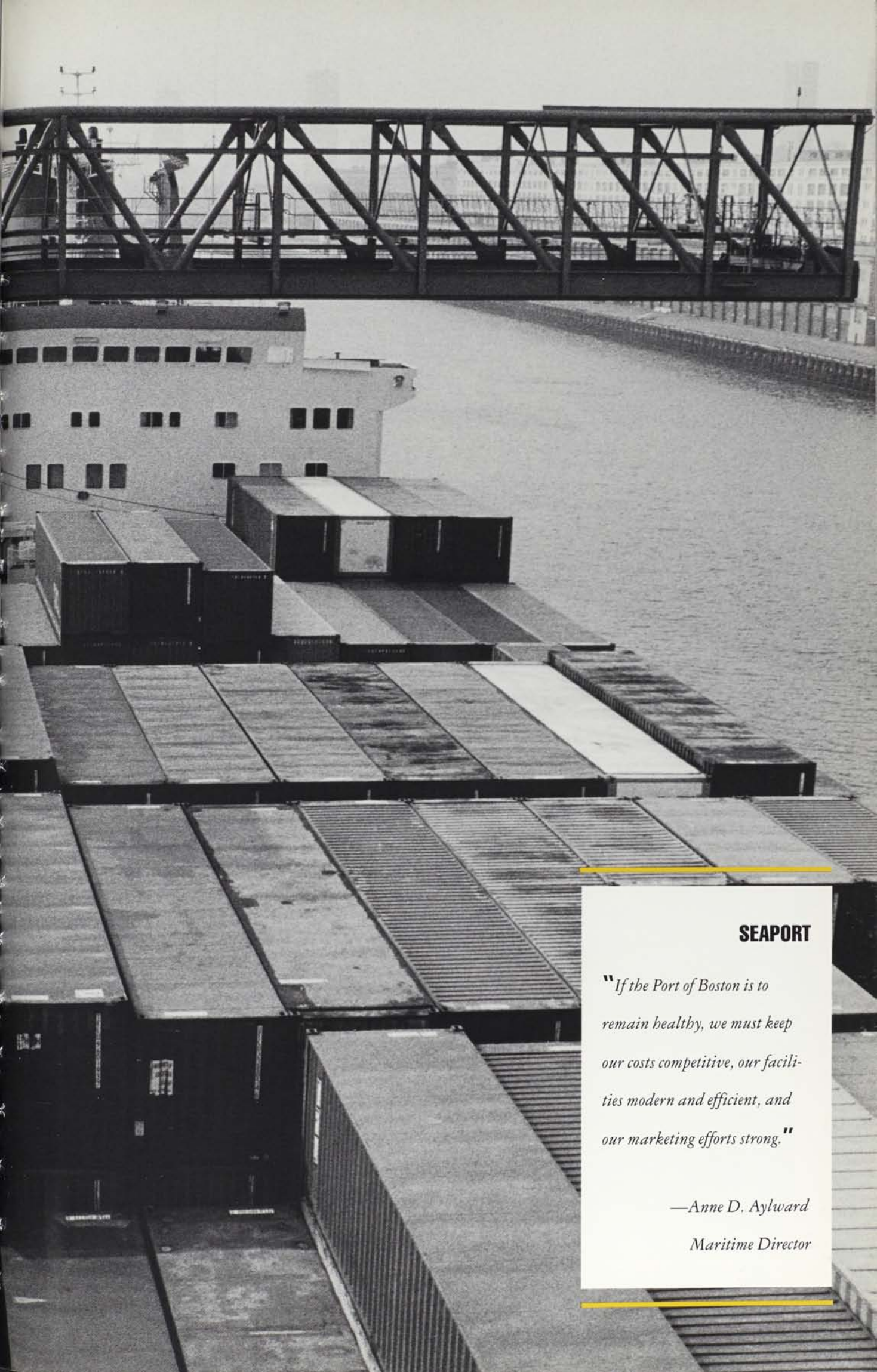
Massport's goal is to transfer at least 10 percent of those travelers into non-automotive modes in order to reduce cross-harbor auto traffic and relieve parking pressures.

The Airport Water Shuttle to and from the downtown Boston waterfront doubled its ridership during its second year of operation. A park and ride service—Logan Express—began providing non-stop bus service between the airport and the South Shore; similar service is also available to and from Framingham. The new alternatives are supported by extensive advertising campaigns.



*Logan Airport
sign shop worker
puts finishing
touches on
sign for new
express bus
service.*





SEAPORT

"If the Port of Boston is to remain healthy, we must keep our costs competitive, our facilities modern and efficient, and our marketing efforts strong."

—Anne D. Aylward
Maritime Director

*Container
operations at
Conley Terminal
in South Boston.*



COMPETITIVE AND RELIABLE SERVICE.

The Port of Boston, with centuries of experience as a center for international trade, is now entering a period of economic renaissance as a working commercial seaport and gateway to the New England market.

Reflecting continued positive performance, general cargo handled in the Port of Boston's three public terminals topped one million tons for the second year in a row. Massport owns Moran Terminal in Charlestown, and Conley Terminal and Harbor Gateway Terminal in South Boston.

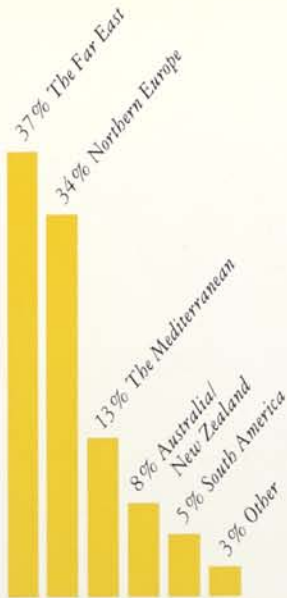
Overall, total general cargo in the Port has doubled since 1975, comprising nearly 46 percent of the region's imports and more than 51 percent of its exports. Valued at \$3,600 per ton—twice the national average—this general cargo is worth more than \$3.8 billion.

Massport's Maritime Department hosted the first annual Port of Boston Conference and, with the Aviation Department, co-sponsored Intercargo 86 to initiate discussion of—and action on—critical issues facing the cargo handling industry, shippers, and related businesses.



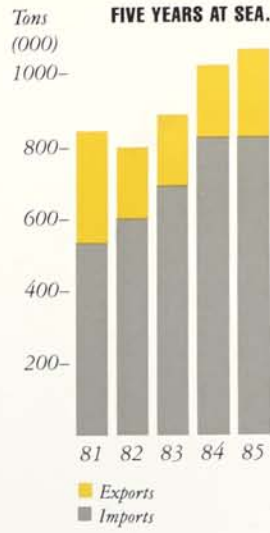
\$5 MILLION GETS \$7 MILLION.

Massport's \$5 million investment in a new cruiseship terminal will return more than \$7 million each year in tourist trade to the Massachusetts economy.



NEW SERVICE.

Five steamship lines added Boston calls to their schedules; Boston now has the most effective container barge system on the East Coast, with six sailings per week to and from New York.



THE \$200 MILLION BILL.

To protect 3,650 jobs and \$211 million in revenue generated by port related industries, Massport is actively campaigning to maintain Boston's Bill of Lading.

In May 1986 Massport formally dedicated its \$5 million Black Falcon Cruise Terminal, which welcomed 19 ships in its first year. The modern home for cruiseships and harbor vessels was the first public investment in waterborne recreation in Boston Harbor in many years.

Major overhaul and electrification of Moran Terminal's diesel-powered cranes was completed, allowing non-stop, low-maintenance operations. Another \$7 million is being invested to modernize Mystic Pier.

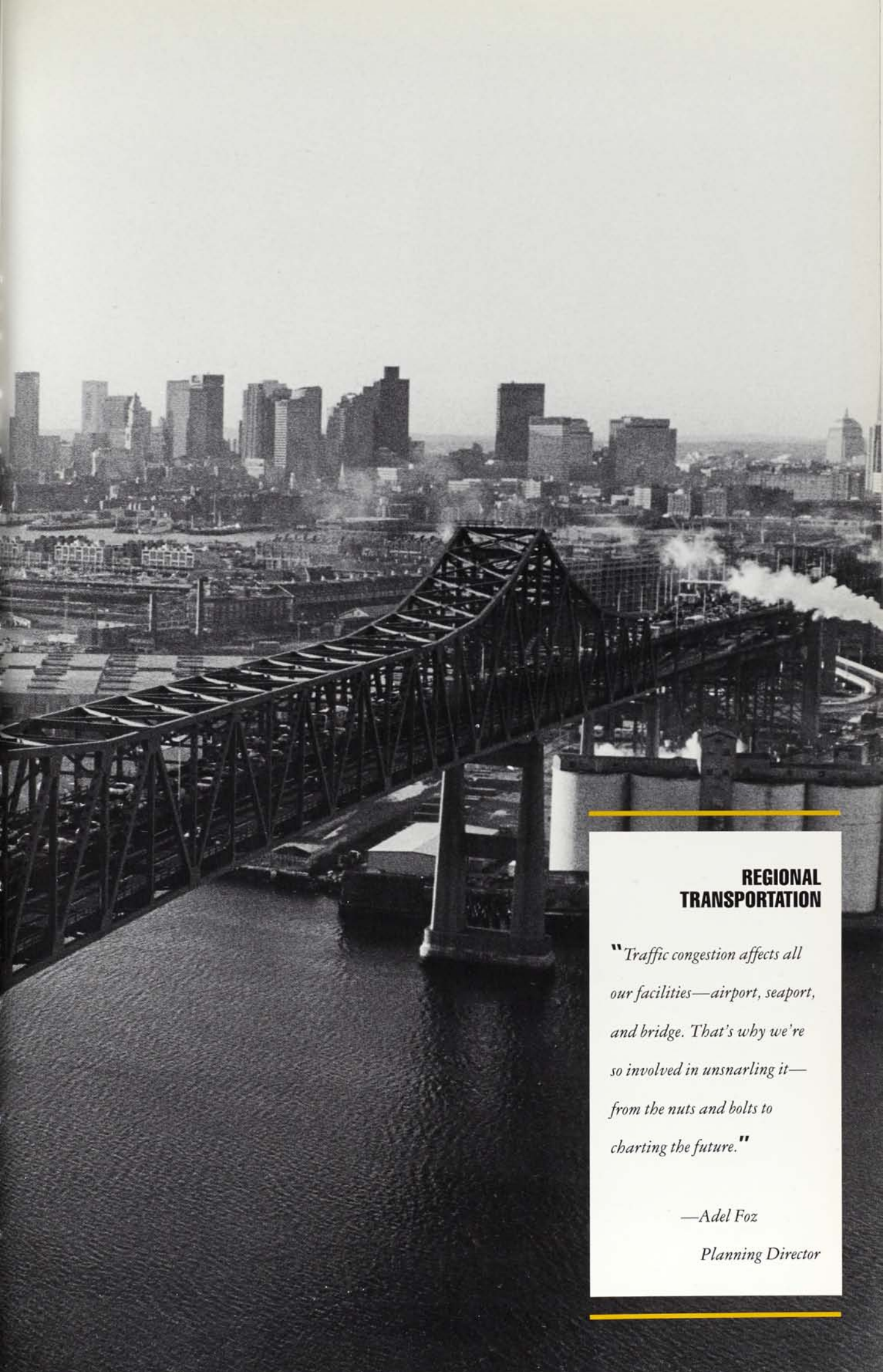
Technology is also playing an increasing role in the Port's management systems. Studies are being conducted on the feasibility of using both an automated customs clearance system to track shipments and a comprehensive management information system to coordinate operations and services.

"If the Port of Boston is to remain healthy into the future," said Anne D. Aylward, maritime director, "we must keep our costs competitive, our facilities modern and efficient, and our marketing efforts active—to serve our real and potential markets, as well as the port and business communities."



*The Black Falcon
cruise terminal,
Boston's new
passenger facility,
along the
South Boston
waterfront.*





REGIONAL TRANSPORTATION

"Traffic congestion affects all our facilities—airport, seaport, and bridge. That's why we're so involved in unsnarling it—from the nuts and bolts to charting the future."


—Adel Foz

Planning Director

*Massport
Planning
Department
session assesses
future regional
transportation
improvements.*



FROM NUTS & BOLTS TO THE FUTURE.

ver thirty million vehicles crossed the Tobin Memorial Bridge last year. A staff of 54 men and women—toll collectors, maintenance workers, break-down specialists, and administrative personnel—work around the clock to assure safety and efficiency.

“Managing a bridge may seem relatively uncomplicated,” says Bridge Director Joe Greene. “But operating New England’s largest and the nation’s seventh busiest bridge requires continuous maintenance, attention to safety, daily management, and planning for its future.”

The bridge’s exceptional operating and safety record is no accident. Last year alone, Massport invested almost \$2 million in safety and roadway improvements, including new nuts, bolts and angle irons; new sodium lamps; a new video monitoring system with cameras to pinpoint traffic snarls and breakdowns; and updated training for emergency personnel.

Although recognizing that elevated lead levels in the soil in some areas near the bridge are a product of several different factors, Massport has taken the initiative to aid its neigh-

bors. Soil has been removed from areas around the Williams School in Chelsea and replaced with loam and sod; and selected residential areas will be similarly treated.

In this and other transportation-related programs, Massport and the region benefit from strong planning and direction from the Dukakis Administration. Massport Board Chairman Richard Giesser explains: "On some projects, we're the lead agency; on others, we're part of a team. In all cases, our efforts are coordinated with other transportation agencies and plans."

THE ARTERY/TUNNEL CHART. By any measure, the most important joint effort is the state's \$2.4 billion Central Artery/Third Harbor tunnel project. To prepare the way for this vital addition to the Boston area highway network, Massport has been studying possible roadway improvements at each end of the proposed tunnel.

Massport calls its study the Cross Harbor and Regional Transportation project, or CHART. The study examines issues such as anticipated demand for air travel at Logan Airport, terminal design, changes in airport roadways and the use of buses and other



STILL TWO BITS.
Tobin Bridge tolls of 25 cents per crossing—15 cents for commuters—have been unchanged since 1953.



FLYING OLD GLORY.
The largest American flag in Boston was raised on the bridge in June 1986.

**PROPOSED CENTRAL ARTERY/
THIRD HARBOR TUNNEL ALIGNMENT**

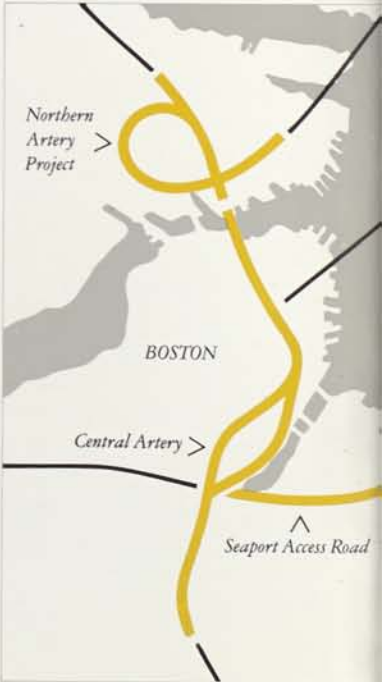


CHART.
New cross harbor tunnel to Logan Airport and Central Artery improvements are included in legislation pending in Congress.

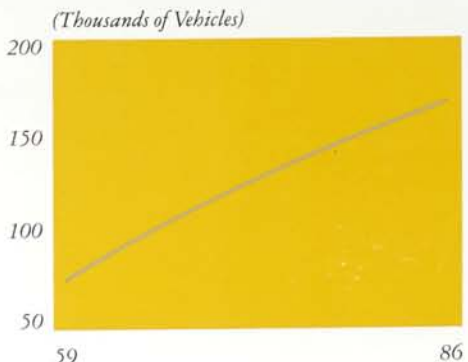
so-called High Occupancy Vehicles (HOV's) to reduce highway demand. CHART will also assess the impact of added traffic from new office, commercial and residential projects in South Boston, and recommend the best way to join the new tunnel to existing roadways.

EXPLORING OTHER AIRPORTS. Massport and the Massachusetts Aeronautics Commission are partners in a two-year study of airports throughout New England funded by the Federal Aviation Administration. Massport's portion of the study will measure the market potential for increased activity at 30 airports in

Massachusetts and surrounding states.

GROUND ACCESS STRATEGY. Ground access rather than airside capacity is the major question facing Logan Airport. Massport's strategy is to seek regional solutions while containing local environmental impact. Findings from CHART and other studies, experiments and improvement projects will help Massport planners select the best mix of solutions to Logan's traffic and parking problems.

Existing Roadways
Artery Tunnel Proposal



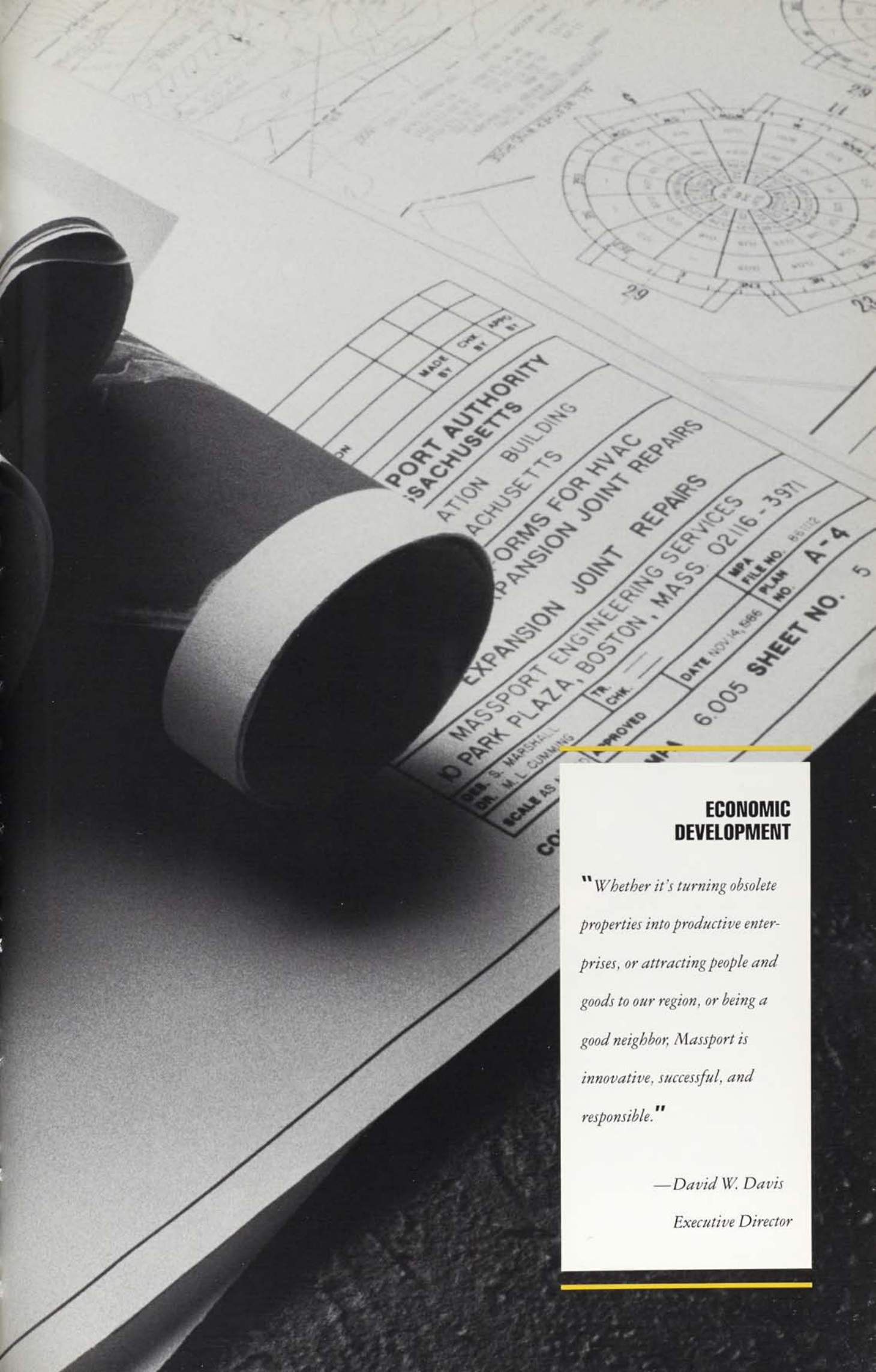
WHY THE ARTERY'S CLOGGED.
Designed to carry 75,000 vehicles per day when it was built in 1959, Boston's Central Artery now carries 165,000 vehicles.

TOURIST ROLLS.
The state uses bridge figures to help determine the number of visitors to Boston from the North. This year, non-commuter traffic increased 12 percent.



EASING THE CHOKEPOINT.
"The goal of the Department of Public Works Northern Artery project is to ease one of the state's worst traffic 'choke-points'—the junction of I-93, the Artery, and Massport's Tobin Bridge." Frederick P. Salvucci, Secretary of Transportation, Massachusetts

ARGED PARTIAL PLAN
SCALE



ECONOMIC DEVELOPMENT

"Whether it's turning obsolete properties into productive enterprises, or attracting people and goods to our region, or being a good neighbor, Massport is innovative, successful, and responsible."

—David W. Davis
Executive Director



*Boston Shipyard,
Massport's newest
acquisition, will
be redeveloped
to provide ship
repair and
marine
services.*

INNOVATIVE, RESPONSIBLE MANAGEMENT.

What has made our real estate projects challenging and complicated has been the need to develop them well ahead of normal real estate market forces, and to come up with re-uses that benefit both the region and Massport,” explained Elliot Friedman, Massport’s director of [REDACTED] property management and real estate development. “To accomplish this, we have assumed many of the early project costs thereby reducing developer risk and insuring that broader economic uses occur.”

In addition to developing and managing its facilities, Massport uses its resources and management skill to improve the lives of the people who depend on the Authority as an employer, a neighbor, and provider of transportation services. “Massport has a responsibility to make positive things happen where and when and for whom they might not happen on their own,” Patrick B. Moscaritolo, director of public and governmental affairs said.



WORLD TRADE CENTER BOSTON, at Commonwealth Pier.

STATE OF THE ART DAY CARE. When Governor Michael Dukakis dedicated a new day care center in The Transportation Building, he said: "The new center allows parents working for the Commonwealth to go to their jobs knowing that their children are in the best possible hands."



BENJAMIN BOOK. Massport's commitment to equal opportunity led to the opening of a new minority-owned bookstore at Logan Airport's Terminal C.

PROPERTIES.

In considering the revitalization options for certain waterfront properties, Massport is concerned with much more than physical changes. Market studies, job enhancement, community impact, financial stability, and engineering, legal, and environmental reviews are all part of the process of decision making.

Massport also commits its own resources to assure success. To support the World Trade Center Boston and the Fish Pier, for example, Massport made major infrastructure improvements along Northern Avenue.

THE WORLD TRADE CENTER BOSTON. The \$85 million transformation of Commonwealth Pier is creating Boston's first center of international commerce and foreign trade. The site provides 865,000 square feet of office space, a market center, exhibition areas, and conference center, as well as docking for harbor vessels.

THE BOSTON FISH PIER. The revitalization of this 72-year old structure includes new processing, docking, and utilities systems. Revenues from rental of prime office space at the pier—located near the burgeoning Fort Point Channel area—subsidize the modernized fish processing operations.

CONSTITUTION PLAZA. The exceptionally successful conversion of Hoosac Pier into multi-purpose Constitution Plaza is an important development in Charlestown. Overlooking the U.S.S. Constitution, the low-rise waterfront development includes fully-leased office space, a busy waterfront restaurant, a new marina and public walkway.

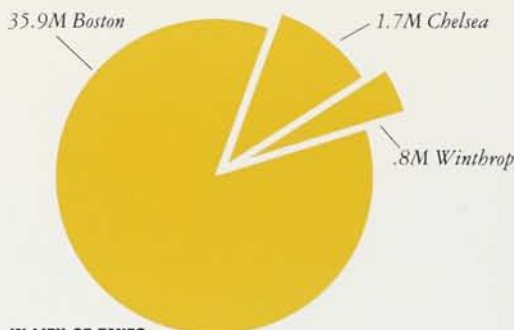
THE TRANSPORTATION BUILDING. Massport is under contract with the Commonwealth of Massachusetts to act as manager of Ten Park Plaza, the state's new transportation building.

Last fall, an historic agreement with private developers was signed, clearing the way for development of more than 50,000 square feet of ground floor commercial space called CityPlace.

THE BOSTON SHIPYARD. The Boston Shipyards, purchased by Massport in November 1985, is being developed as a combination boat repair facility and marina.

EAST BOSTON PIERS. A portion of the East Boston Piers is being re-developed as a lobster terminal and waterfront park with input from Boston harbor lobstermen and nearby residents.

BOSTON FISH PIER.
The new home of
Boston's oldest industry.



IN LIEU OF TAXES.

Since 1979, Massport has contributed a total of \$38.4 million to the cities of Boston and Chelsea and the town of Winthrop.

CONSTITUTION PLAZA.
Old Hoosac Pier shines
in Charlestown.



A CAPITAL IDEA.

"In April 1986 Massport took the unprecedented step of issuing a ten-year capital budget. The complexity and ambition of the Authority required it. The results are valuable and sobering."

Gloria Vokonas,
Administration and Finance
Director

PROGRAMS.

Whether encouraging travelers to visit Boston; or marketing New England small businesses overseas; or aiding communities or helping women, minorities, or its neighbors, Massport is creative and committed, and often without peer in the public sector.

SELLING OUR REGION TO THE WORLD. With tourism now Massachusetts' second largest industry, Massport actively promotes its airport and seaport properties as gateways to New England.

Using the theme "America Begins in New England," Massport plays a major role in travel trade shows worldwide, and supports state tourism campaigns such as the Commonwealth's Japanese Marketing Program, expected to draw over 90,000 Japanese visitors to New England in 1986.

Massport offices in London and Japan provide assistance in researching local markets, as well as developing valuable travel, media, and tourism contacts.

THE TOOLS OF TRADE. As the region becomes more dependent on foreign trade, Massport helps smaller companies throughout New England do business overseas. The 150 firms selected to participate in

Massport's Trade Development Program have reported \$4.1 million in export sales for fiscal 1986.

In providing these services, Massport not only taps the expertise of its staff in Boston, London, and Tokyo, but also draws upon a network of business, financial, academic, and governmental institutions, including Boston's new World Trade Center.

AIDING OUR NEIGHBORS. For the eighth consecutive year, Massport made in lieu of tax payments to municipalities where Authority properties are located. Boston, Chelsea, and Winthrop together received \$5.9 million in fiscal 1986.

OPPORTUNITY FOR ALL. Massport's Youth Employment and Training Program employs and trains young people from Boston and communities surrounding Logan for jobs at Massport facilities. Also, students from East Boston High School and the Umana School benefit from a program offering scholarships and workplace opportunities. The Compliance Department made gains for minority and women-owned businesses, focusing on Logan Airport's businesses and vendors.

MASSPORT BOARD MEMBERS.



Richard A. Giesser, chairman, is chairman of the Small Business Foundation of America. Term expires 1989.



John A. Vitagliano, vice chairman, is superintendent of tolls collection for the Massachusetts Turnpike Authority. Term expires 1992.



Jacquelyn R. Smith is financial manager of Bicknell and Smith, a law firm in Cambridge, Massachusetts. Term expires 1987.



E. Paul Robsham is president of Robsham Industries, a real estate development firm in Framingham, Massachusetts. Term expires 1988.



Miguel A. Satut is president of Associated Grantmakers of Massachusetts, a Boston-based non-profit organization of corporations and foundations involved in philanthropic projects in Massachusetts. Term expires 1990.



Paul F. Nace, Jr. is a real estate developer and consultant in Boston. Term expires 1991.



Charles M. Raso is business manager of the Bricklayers and Allied Craftsmen Union, Local #3, in Boston. Term expires 1993.

The Massport Board consists of seven members appointed by the Governor of Massachusetts to staggered terms of seven years each. Members serve without compensation.

Michael S. Dukakis
Governor of the
Commonwealth of
Massachusetts

Frederick P. Salvucci
Secretary, Executive Office
of Transportation and
Construction

1986

Coopers & Lybrand
Independent Certified Public Accountants

Massachusetts Port Authority
Boston, Massachusetts

We have examined the balance sheets of the Massachusetts Port Authority as of June 30, 1986 and 1985, and the related statements of income and changes in retained earnings and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Massachusetts Port Authority at June 30, 1986 and 1985, and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Coopers & Lybrand

*Boston, Massachusetts
August 29, 1986*

BALANCE SHEETS June 30, 1986 and 1985

	1986	1985
	<i>(Dollar amounts in thousands)</i>	
Assets		
Cash (Note C)	\$ 1,547	\$ 1,469
Investments (Notes A and C)	151,146	169,811
Accounts receivable, less allowance for doubtful accounts of \$1,141,000 in 1986 and \$1,321,000 in 1985	11,658	11,392
Prepayments and other assets	6,056	5,999
	<u>170,407</u>	<u>188,671</u>
Investments in facilities (Note D):		
Facilities completed:		
Airports	479,343	469,450
Bridge	63,062	62,893
Port (Note H)	165,334	118,119
	<u>707,739</u>	<u>650,462</u>
Less accumulated depreciation and amortization	(267,360)	(242,986)
	<u>440,379</u>	<u>407,476</u>
Construction in progress	74,245	58,831
Net investment in facilities	<u>514,624</u>	<u>466,307</u>
Total Assets	<u>\$685,031</u>	<u>\$654,978</u>
Liabilities and Fund Equity		
Liabilities		
Accounts payable and accrued expenses	\$ 22,499	\$ 17,813
Accrued pension cost (Note G)	5,687	6,109
Accrued interest payable	13,964	9,736
Notes payable (Notes E and F)	—	23,000
Funded debt (Note F)	296,310	273,515
Total Liabilities	<u>338,460</u>	<u>330,173</u>
Deferred income	2,226	2,071
Contingent liabilities and commitments (Notes H, J and L)		
Fund Equity (Notes B and C)		
Retained earnings	300,220	280,075
Contributed capital, grants-in-aid of construction	44,125	42,659
Total Fund Equity	<u>344,345</u>	<u>322,734</u>
Total Liabilities and Fund Equity	<u>\$685,031</u>	<u>\$654,978</u>

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF INCOME AND CHANGES IN RETAINED EARNINGS *for the years ended June 30, 1986 and 1985*

	1986	1985
	<i>(Dollar amounts in thousands)</i>	
Revenues (Note B):		
Tolls, fees and sales of services	\$ 61,421	\$ 61,690
Rentals (Note K)	30,654	29,202
Concessions (Note K)	42,401	41,118
Income on investments (Note A)	12,684	13,187
Other	2,734	2,045
Total Revenues	149,894	147,242
Expenses (Note B):		
Operations and maintenance	54,548	52,640
Administration	21,780	18,682
Insurance	2,560	1,604
Pension cost (Note G)	1,716	1,780
Interest (Note A)	19,377	17,605
In lieu of taxes (Note I)	5,864	5,535
Total Expenses	105,845	97,846
Income before depreciation and amortization and extraordinary item	44,049	49,396
Depreciation and amortization, including \$2,584,000 in 1986 and \$2,549,000 in 1985 on assets acquired with contributed capital, grants-in-aid of construction.	25,736	23,539
Income before extraordinary item	18,313	25,857
Extraordinary item:		
Loss on extinguishment of debt (Note F)	752	—
Net Income	17,561	25,857
Add credit arising from transfer of depreciation to contributed capital	2,584	2,549
Retained earnings, at beginning of year	280,075	251,669
Retained earnings, at end of year	\$300,220	\$280,075

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN FINANCIAL POSITION *for the years ended June 30, 1986 and 1985*

	1986	1985
	<i>(Dollar amounts in thousands)</i>	
Funds Provided From:		
Net income before extraordinary item	\$ 18,313	\$ 25,857
Adjustments for noncash transactions:		
Depreciation and amortization	25,736	23,539
Funds provided from operations before extraordinary item	44,049	49,396
Extraordinary Item:		
Loss on extinguishment of debt	(752)	—
Funds provided from operations after extraordinary item	43,297	49,396
Contributed capital, grants-in-aid of construction	4,050	4,587
Increase in deferred income and liabilities other than funded debt and notes payable	8,647	1,969
Issuance of funded debt (Note F)	75,070	49,000
Issuance of notes payable	—	600
Total Funds Provided	131,064	105,552
Funds Applied to:		
Cost of facilities	74,053	54,729
Retirement of funded debt (Note F)	52,275	2,935
Reduction in notes payable (Notes E and F)	23,000	—
Increase (decrease) in other assets	323	(152)
Total Funds Applied	149,651	57,512
Net Increase (Decrease) In Cash And Investments	\$ (18,587)	\$ 48,040

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

The Massachusetts Port Authority (The Authority) is a public instrumentality created by an act of the legislature of The Commonwealth of Massachusetts (Enabling Act), effective June 21, 1956. The Authority has no stockholders or equity holders. The provisions of the Enabling Act and the 1978 Trust Agreement (Trust Agreement) with the Authority's bondholders govern the disposition of cash revenues to the various funds established under the Trust Agreement and restrict the use of such revenues credited to the various funds.

A. Accounting Principles:

Investments in U.S. Government obligations, agencies of the U.S. Government and certificates of accrual on Treasury securities are recorded at amortized cost, which approximates market value including accrued interest. Investments in repurchase agreements are recorded at cost plus accrued interest.

Facilities are carried at cost and include the expenditure of federal grants-in-aid of construction and the cost of significant renewals and betterments. Federal grants-in-aid of construction are recorded as contributed capital as received and amortized on the straight-line method over the service lives of the related assets. Expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation is provided on the straight-line method based on estimated useful service lives of the related assets beginning in the fiscal year during completion of construction. Depreciation has been computed on facilities which have been recorded in the accounts of the Authority, including those financed by grants for construction.

The Authority capitalizes certain interest associated with the cost of restricted tax-exempt borrowings less any interest earned on temporary investment of the proceeds of those borrowings during the period of construction. Interest expense of \$2,210,000 in 1986 and \$1,078,000 in 1985, reduced by

interest income of \$1,644,000 in 1986 and \$1,404,000 in 1985, has been capitalized as a part of the cost of construction projects with a corresponding reduction of interest expense and income on investments included in the Statements of Income.

The adoption of these practices has no effect upon the disposition of cash revenues of the Authority which is determined in accordance with provisions of the Enabling Act and the Trust Agreement (*see Note B*).

B. Revenues and Operating Expenses as Determined by Accounting Practices Prescribed by the Trust Agreement:

The provisions of the Enabling Act and the Trust Agreement with the Authority's bondholders prescribe certain accounting practices to be followed in maintaining the accounts and records of the Authority.

Under the Trust Agreement, monthly cash revenues of the Authority, after providing for required debt service costs on the Revenue Refunding Bonds, Series 1978, from pledged revenues, are transferred to the Operating Fund. After providing for operating expenses, including pension expense and transfers to the self-insurance account, cash revenues are then transferred to the Port Properties Fund (to the extent that Port Properties revenues exceed Port Properties expenses), the Interest and Sinking Fund (which are applied to debt service on any outstanding bonds other than the Revenue Refunding Bonds, Series 1978), the Maintenance Reserve Fund, the In Lieu of Taxes Fund, and the Improvement and Extension Fund. Cash and investments held in the Improvement and Extension Fund, to the extent designated by the Authority, are transferred to the Capital Budget Account.

B. Revenues and Operating Expenses as Determined by Accounting Practices Prescribed by the Trust Agreement, continued:

Presented below are the fiscal 1986 and 1985 revenues and operating expenses as determined in accordance with the Trust Agreement and a reconciliation to income before depreciation, amortization and extraordinary item as presented in the Statements of Income under Generally Accepted Accounting Principles (GAAP).

(Dollar Amounts in Thousands)

	Fiscal 1986						Fiscal 1985	
	Bridge	Airport Properties	Port Properties* Maritime	Development**	Facilities Management	Investment Income	Combined Total	Combined Total
Revenues:								
1978 pledged revenues	\$6,911	\$ 54,258	\$ —	\$ —	\$ —	\$12,139	\$ 73,308	\$ 69,790
Other	—	53,743	18,064	2,620	880	231	75,538	76,508
	<u>\$6,911</u>	<u>\$108,001</u>	<u>\$18,064</u>	<u>\$2,620</u>	<u>\$880</u>	<u>\$12,370</u>	<u>\$148,846</u>	<u>\$146,298</u>
Operating Expenses:								
Operations and maintenance	\$1,929	\$ 34,496	\$15,653	\$2,139	\$331		\$ 54,548	\$ 52,640
Administration	1,287	14,768	4,288	979	458		21,780	18,682
Insurance	308	1,473	694	259	40		2,774	1,844
Pension (Note G)	164	1,473	358	89	54		2,138	2,080
Loss on sale of property/equip.	—	508	—	—	—		508	197
	<u>\$3,688</u>	<u>\$ 52,718</u>	<u>\$20,993</u>	<u>\$3,466</u>	<u>\$883</u>		<u>\$81,748</u>	<u>\$75,443</u>
Excess of Revenues Over Operating Expenses Under Trust Agreement							\$67,098	\$70,855
Add: Self-Insurance Cost (Expensed Under Trust Agreement; not an expense under GAAP.)							214	240
Add: Pension Adjustment (Pension cost is greater under Trust Agreement than under GAAP.)							422	300
Add: Difference on gain on sale of equipment (Equipment is depreciated under GAAP but not under Trust Agreement. Equipment sold for \$557,000 had a book value of \$423,000 based on original cost under Trust Agreement; and a book value of \$237,000, after depreciation of \$186,000, under GAAP. This results in a gain of \$134,000 under the Trust Agreement and a gain of \$320,000 under GAAP.)							186	322
Add: Adjustment to the original loss from a prior year's sale of property (Resulted from the prepayment during fiscal year 1986 of the remaining installment payments due.)							1,056	0
Add: Interest Income/Construction Funds (Recorded as an addition to the Construction Funds under Trust Agreement; recorded as Revenue under GAAP.)							314	819
Less: Payments in lieu of taxes (Not an operating expense under Trust Agreement; Expensed under GAAP.)							(5,864)	(5,535)
Less: Interest on funded debt and notes payable, net of interest capitalized on projects under construction (Not an operating expense under Trust Agreement; Expensed under GAAP.)							(19,377)	(17,605)
Income Before Depreciation, Amortization and Extraordinary Item Under GAAP							\$44,049	\$49,396

*None of the revenue from Port Properties is available for debt service other than for interest and principal for all bonds issued for paying the cost and improvements to Port Properties. Under the Enabling Act, the revenue from Port Properties, after certain deductions as defined therein, is to be paid to The Commonwealth of Massachusetts (Note H).

**Development includes activities related to the Authority's alternative use program, principally for Commonwealth Pier, Fish Pier and Hoosac Pier.

NOTES TO FINANCIAL STATEMENTS, *continued*

B. Revenues and Operating Expenses as Determined by Accounting Practices Prescribed by the Trust Agreement, continued:

Under the provision of the Trust Agreement, all revenues derived from operation of the Tobin Memorial Bridge, all aircraft landing fees and motor vehicle parking fees derived from the operations of the airport properties, and all income from investments held in all funds with the exception of the Construction Funds, Port Properties Fund and self-insurance account are pledged for the debt service requirements of the Revenue Refunding Bonds, Series 1978.

To the extent that pledged revenues exceed debt service requirements, they are available to meet operating expenses and for transfer to other funds. To the extent unexpended, these amounts continue to be available for the debt service requirements in any year. At June 30, 1986, unexpended pledged revenues remaining in fund balances, excluding the 1978 Debt Service Fund, were \$36,830,000.

C. Cash and Investments:

The following summarizes the Authority's cash and investments at June 30, 1986 by the various funds and accounts established under the 1978 Trust Agreement with the Authority's bondholders.

Use defined for specific purposes*:	Cash	Investments	Total
	(Dollar amounts in thousands)		
1978 Debt Service Fund	\$ 586	\$ 32,084	\$ 32,670
Operating Fund, including appropriations for self-insurance	111	6,833	6,944
Maintenance Reserve Fund	2	41,450	41,452
In Lieu of Taxes Fund . .	1	3,170	3,171
Improvement and Extension Fund.	830	46,219	47,049
1984 Construction Fund	12	10,589	10,601
1985 Interest & Sinking Fund	5	10,801	10,806
	<u>\$1,547</u>	<u>\$151,146</u>	<u>\$152,693</u>

*See also Note B for the amount of unexpended pledged revenues at June 30, 1986.

The Authority's investments include repurchase agreements which are collateralized by obligations of the federal government or agencies of the federal government. The collateral is held in custody by a bank for the benefit of the Authority.

D. Investments in Facilities and Depreciation:

	1986	1985
	(Dollar amounts in thousands)	
Facilities completed:		
Land and land improvements	\$ 93,645	\$ 82,087
Bridge and bridge improvements	61,857	61,756
Buildings	369,425	332,085
Runways and other paving	152,879	150,388
Machinery and equipment	29,933	24,146
Accumulated depreciation	(267,360)	(242,986)
	<u>440,379</u>	<u>407,476</u>
Construction in progress	74,245	58,831
Net investment in facilities	<u>\$514,624</u>	<u>\$466,307</u>

Asset lives used in the calculation of depreciation are as follows:

Bridge	100 years
Bridge improvements	10 and 25 years
Airport facilities—buildings, runways and other paving	10 and 25 years
Port facilities—buildings and piers	25 years
Machinery and equipment	10 years

E. Notes Payable:

The Authority had outstanding at June 30, 1985 short-term notes totaling \$23,000,000 which were paid during fiscal 1986 from the proceeds of the Revenue Refunding Bonds, Series 1985-A (see Note F).

F Funded Debt:

Funded debt at June 30, 1986 is comprised of:

(Dollar amounts in thousands)

Maturity on July 1	Revenue Refunding Bonds Series 1978		Revenue Refunding Bonds Series 1985 A & B		Total
	Interest Rate	Amount	Interest Rate	Amount	
Serial Bonds:					
1986	6.0%	\$ 3,300	—	—	\$ 3,300
1987	6.0	3,505	5.75%	\$ 690	4,195
1988	6.1	3,720	6.25	735	4,455
1989	6.2	3,955	6.75	780	4,735
1990	6.3	4,000	7.00	830	4,830
1991	6.4	4,265	7.25	885	5,150
1992	6.5	4,545	7.50	955	5,500
1993	6.6	4,840	7.75	1,025	5,865
1994	6.7	5,165	8.00	1,105	6,270
1995	6.8	5,520	8.25	1,190	6,710
1996	6.8	5,905	8.50	1,290	7,195
1997	6.9	6,305	8.70	1,405	7,710
1998	—	—	8.80	1,520	1,520
1999	—	—	8.90	1,655	1,655
2000	—	—	9.00	1,805	1,805
Total Serial Bonds		55,025		15,870	70,895
Term Bonds:					
1998-2012	7.125	166,385	—	—	166,385
2001-2005	—	—	9.25	9,500	9,500
2001-2015	—	—	9.375	49,530	49,530
Total Funded Debt		\$221,410		\$74,900	\$296,310

See Note B for revenues pledged as security for the 1978 Bonds and available for the 1985 Bonds. In July 1985, \$3,105,000 was paid to retire Serial bonds, Series 1978, maturing at that time.

In September 1985, the Authority issued \$75,070,000 of Revenue Refunding Bonds, Series A and B for the purpose of refunding its outstanding \$23,000,000 of Short-Term Improvement Notes and \$49,000,000 Adjustable Rate Revenue Bonds, Series 1984. As a result of this transaction,

the Short-Term Improvement Notes were paid as such notes matured during fiscal 1986 and the Adjustable Rate Revenue Bonds, Series 1984 were paid on January 1, 1986.

An extraordinary loss of \$752,000 resulted from this refunding.

NOTES TO FINANCIAL STATEMENTS, continued

G. Pension Costs:

In July of 1978, the Massachusetts legislature passed legislation which was enacted as Chapter 487 of the Massachusetts Acts of 1978 and signed into law on July 18, 1978. This enactment provided for the establishment of the "Massachusetts Port Authority Employees' Retirement System" (the Plan), a contributory retirement system that is separate from the Massachusetts State Employees' Retirement System. Prior to this enactment, Authority employees were members of the state employees' system and the funding of the pension liability was on a "pay as you go" method. Pursuant to this enactment, the employees' present rights and benefits were transferred to the new system and the Authority established a separate pension fund. The Authority funds pension costs based on the actuarially determined annual pension expense which includes current service cost and the amortization, over a 20-year period, of unfunded prior service costs. This annual pension contribution, as actuarially determined, includes a factor for the reimbursement to the Commonwealth for amounts expended by the Commonwealth on account of the Authority's employees retired prior to January 1, 1979.

For the financial statements prepared in accordance with generally accepted accounting principles, pension expense includes current service cost and amortization of past service costs determined as of July 1, 1973, over a 25-year period commencing in fiscal 1974. Total pension expense so determined was \$1,716,000 in fiscal 1986 and \$1,780,000 in fiscal 1985.

The accumulated plan benefits and plan net assets at January 1, 1985 and 1984 are as follows:

	1985	1984
Actuarial present value of accumulated plan benefits:		
Vested	\$25,666,246	\$24,215,469
Nonvested	205,635	233,792
	<u>\$25,871,881</u>	<u>\$24,449,261</u>
Net assets available for benefits	<u>\$32,730,069</u>	<u>\$27,123,726</u>

The weighted average assumed rate of return used in determining the actuarial present value of accumulated plan benefits is 8%.

Plan assets have been accumulated by making contributions equal to current year costs plus amortization of past service costs determined on a going-concern basis, while the determination of the actuarial present value of accumulated plan benefits as presented above is essentially a "plan termination" type calculation which uses methods and assumptions which are not comparable with the methods and assumptions used to determine current year pension costs. In addition, the fair value of net assets available for plan benefits will fluctuate. Because of the differences in computational methods and the fluctuations in the fair value of net assets, the actuarial present value of accumulated plan benefits and the fair value of net assets available for plan benefits are not readily comparable.

In addition to providing pension benefits, the Authority provides certain health care benefits for retired employees through insurance company contracts. The Authority recognizes the cost of providing those benefits by expensing the insurance premiums, when paid. This expense was \$226,000 and \$185,000 for the fiscal years ended June 30, 1986 and 1985, respectively.

H. Contingent Liabilities and Commitments:

Payments to The Commonwealth of Massachusetts for Port Facilities:
As consideration for the Port Properties acquired from the Commonwealth on February 17, 1959, the Authority is required by the Enabling Act to pay annually to the Commonwealth an amount contingent upon cash revenues from the Port Properties for the preceding fiscal year exceeding certain related cash expenditures until the Authority has paid an amount as defined in the Enabling Act. At June 30, 1986, the amount contingently payable to the Commonwealth, not reflected in the financial statements, aggregated \$17,915,000. Included in investments in facilities are payments of \$899,000 made to the Commonwealth for these Port facilities.

Cash expenditures from these properties exceeded related revenues by \$14,994,000 in fiscal 1986, which amount has been added to such prior years' deficiencies of \$80,396,000. The cumulative cash deficit of \$95,390,000 is to be applied against future Port Properties net revenues before payments are required in future years.

Contractual Obligations for Construction:
Contractual obligations for construction were approximately \$50,580,000 at June 30, 1986.

I. In Lieu of Taxes:

The Enabling Act authorizes and directs the Authority, subject to certain standards and limitations, to enter into agreements to make annual in lieu of tax payments to Boston, Chelsea and Winthrop.

These agreements and annual extensions currently provide for payments aggregating approximately \$5,864,000 to these municipalities, of which \$4,821,000 is subject to annual adjustment through 1990 by reference to an index related to the consumer price index and Logan airport commercial passenger enplanements.

The agreements extended from fiscal 1991 through fiscal 1995, although the amount of in lieu of tax payments during this extension period is subject to the results of best efforts negotiations. The annual payments are not to exceed the balance of revenues remaining after deposits to the 1978 Debt Service Fund, payment of operating expenses, payments to the Commonwealth (*see Note H*), deposits to the Interest and Sinking Fund and deposits to the Maintenance Reserve Fund.

J. Litigation:

On January 23, 1982, a DC-10 aircraft operated by World Airways, Inc., carrying 209 passengers and crew, ran off the end of runway 15R into Boston Harbor while landing at the Airport. The accident resulted in considerable damage to the aircraft as well as numerous claims of injury. Two passengers remain missing and are presumed to be fatalities. To date, 41 lawsuits have been filed naming or joining the Authority as a direct or third-party defendant. These lawsuits include personal injury actions by passengers and members of the flight crew, an action by Hughes Aircraft Corporation alleging damage to certain flight instruments on board the aircraft at the time of the incident, and third-party complaints and a direct complaint filed by World Airways against both the Authority and the Federal Aviation Administration (FAA). The Third-Party Complaint in one of these cases as well as the direct complaint filed by World Airways, seek \$75,000,000 in damages as a result of damage to and loss of use of the aircraft in question as well as indemnification or contribution from both third-party defendants for any sums World Airways is obligated to pay to passengers for personal injuries. World Airways also moved to amend its direct complaint against the Authority to include a claim under Massachusetts General Laws c. 93A which prohibits unfair or deceptive acts and practices in trade or commerce and provides for treble damages in the event of a knowing or willful violation. The Authority filed its opposition to this motion.

The Authority also filed appropriate responsive pleadings in each of the lawsuits denying all liability and containing appropriate cross claims. In addition to the lawsuits, 17 claims arising out of this incident have been filed with the Authority to date. Any additional claims or lawsuits filed against the Authority alleging negligence may be barred by the three year statute of limitations governing such suits.

A trial on the merits with respect to the liability phase of this litigation was held during the period November 1985 to March 1986. After several days of deliberations by the jury, the Court declared a mistrial with respect to the liability claims against Massport due to the inability of the jurors to reach unanimous agreement. The mistrial as to the claims against Massport, however, did not preclude the judge from deciding the liability portion of the case of World Airways against the United States government. Findings and Conclusions were rendered on April 27, 1986 which allocated percentages of causal negligence as follows: World Airways—50%; Massport—30%; and United States—20%. In addition, the Judge found that Massport was entitled to judgment by the Court (at a future date) on World Airways's c. 93A claim.

In view of the mistrial, however, this decision did not impose any liability on Massport for: (1) the claims of World Airways against Massport for hull damage and/or contribution as to World Airways's payouts in settlement of passenger claims; (2) the claims of the crew against Massport; or (3) the claims of the United States against Massport for contribution arising out of liability for damage to the hull and/or liability to the crew. Such claims will be the subject of a subsequent trial by jury which will be preceded by a damage trial tentatively scheduled for the fall of 1986.

The Authority's airport liability insurance policies in effect at the time of the incident consist of: (1) a primary policy with limits of \$3 million for property damage and \$5 million for bodily and personal injury, and (2) an excess liability policy with a combined single limit of \$100 million. Although the outcome of this litigation cannot be predicted with certainty, based upon their investigation and analysis of the asserted claims following extensive discovery to date, the Authority's litigation counsel retained by its primary insurer believe that the Authority has meritorious legal and factual defenses to each of the cases and claims asserted to date. In addition, such counsel believe that existing levels of insurance (both primary and excess) are likely to be adequate to meet any lia-

NOTES TO FINANCIAL STATEMENTS, *continued*

J. Litigation, continued:

bility on the part of the Authority for such claims. Although it is unable to predict the nature or amount of additional claims that may be asserted against the Authority in the future as a result of this incident, the Authority believes that existing levels of insurance are likely to be adequate to meet any liability on its part for all claims arising out of this incident. Accordingly, the Authority does not expect that these matters will require amounts to be paid, if any, which in the aggregate will have a material adverse effect on its financial condition.

In addition, the Authority is a defendant in a number of legal proceedings arising in the normal course of business. Management, after reviewing all actions and proceedings pending against or involving the Authority, consider the aggregate liability of loss, if any, resulting from the final outcome of those proceedings will not be material.

In April 1986, the Authority's Bridge and Port primary general liability insurer filed a petition of insolvency. Under the terms of its policy with the insurer, the Authority was insured to the extent of \$1,000,000 for each occurrence and \$2,000,000 in the aggregate for personal injuries and property damage. The Massachusetts Insurer's Insolvency Guaranty Fund will provide coverage up to the statutory limit of \$300,000 for each claim that would have been covered by the insurer, if not for the insolvency. The Authority has additional insurance with another insurer which covers such portion of each claim as exceeds one million dollars. This results in a gap in coverage for each such claim of up to \$700,000 for which the Authority may be at risk. Based upon the specific damages alleged by plaintiffs (exclusive of interest that may accrue from the date of filing to the date of final disposition) in civil actions currently in suit, the aggregate potential uninsured liability is approximately 3.6 million dollars. This amount does not include the Authority's potential uninsured liability in two actions for which alleged damages have not been quantified by the plaintiffs. In the opinion of legal counsel, the Authority's ultimate liability is indeterminable, but the Authority does not expect that these claims will require amounts to be paid, which in the aggregate, will have a material adverse effect on its financial condition.

K. Leases:

The Authority leases a major portion of its Aviation and Port Properties to various tenants. Most of these operating leases provide for periodic adjustments to rental rates. In addition, certain of the lease agreements contain provisions for contingent payments based on a specified percentage of the tenant's gross revenue. Rental income received under these provisions was approximately \$15,602,000 in fiscal 1986 and \$13,874,000 in fiscal 1985.

Minimum future rentals, excluding contingent rentals, receivable from noncancelable operating leases as of June 30, 1986 are as follows:

Year Ending	Amount
June 30	(Dollar amounts in thousands)
1987	\$ 17,362
1988	16,264
1989	15,136
1990	14,812
1991	14,724
Thereafter	186,073
	<u>\$264,371</u>

L. Related Party:

In June of 1984, the Authority entered into a lease agreement (expiring in June of 1988) with the Commonwealth of Massachusetts for office space at the State Transportation Building. Under the terms of the lease, the Authority paid rental fees of approximately \$1,302,000 in fiscal 1986 to the Commonwealth of Massachusetts. The Authority also entered into a contract, which expired on June 30, 1986 and was renewed through June 30, 1987, to provide building management services for the State Transportation Building. Consideration for these services was \$236,000 in fiscal year 1986. The Commonwealth of Massachusetts also reimbursed to the Authority approximately \$600,000 of direct building management expenses incurred by the Authority and approximately \$4,090,000 for building expenses paid by the Authority on behalf of the Commonwealth of Massachusetts.

PROPERTIES AND PERFORMANCE, FY'86

Gross revenues, Authority-wide \$149.9 million
Net income \$17.6 million

Logan International Airport

Total passengers 20.7 million
 Domestic 18.6 million
 International 2.1 million
Total pounds of cargo and mail 645.5 million
Compliance with Part 36, federal
 noise standards 91.0 percent

Hanscom Field, civilian

Total operations 234,545

Port of Boston

General cargo, tons 1.1 million
Value of cargo \$3.8 billion

Moran Container Terminal

Containers handled 44,847

Conley Terminal

Containers handled 41,093
Imported automobiles 47,510

Harbor Gateway Terminal

Imported automobiles 51,998
Cruise vessel visits 19

Tobin Memorial Bridge

Total vehicle crossings 30.4 million

Boston Fish Pier

Fish processed, pounds 58.3 million
Fish landed, pounds 23.3 million

Constitution Plaza

Multi-purpose facility at Hoosac Pier,
leased to private development team

World Trade Center Boston

International commercial facility at Commonwealth Pier,
leased to private developers

Boston Shipyard

Acquired by Massport in November 1985,
leased to private developers for marine-related uses

Massport
Ten Park Plaza
Boston, MA 02116-3971
Telephone: (617) 973-5500
Telex: 94-0365

Massport/Far East
New Diamond Building
4-4 Kasumigaseki 1-Chome
Chiyoda-Ku, Tokyo 100
Japan
Telephone: (03) 506-5204
Telex: KLINELTDJ24957

Massport/Europe
85-87 Jermyn Street
St. James
London SW 1, England
Telephone: (01) 930-7949
Telex: 917835

Massport/New York
Woolworth Building
233 Broadway, Suite 818
New York, NY 10007
Telephone: (212) 608-0775



This report was produced
by the Massport Public Affairs
Department, Martha Shaw,
publications manager. Massport
wishes to acknowledge the
following for their assistance.

Design: Wendy Hilgert
Photography: Lou Jones
Typesetting: Composing Room
of New England
Printing: Winthrop Printing
Company
Editorial: Daniel B. Payne